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The policy also describes the BTL nature of wiring beyond the demarcation, and the building owner's responsibilities (for access to points beyond the demarcation, a means to allow termination of GTE's facilities, security/safety issues, and access to building power sources).

The point of demarcation under the policy for multi-unit locations:

reverts to 12 inches or as close as practical to the nearest protected network terminal from the end-user's customer premises equipment.

The policy also provides for certain special applications. In "interpositioning ATL and BTL facilities" the policy provides that there may be cases for regulated network equipment to "reside on the customer side of the point of demarcation." In such cases, the policy provides for GTE to obtain the necessary authority for use of such facilities.

Another special application under the policy provides:

GTE may conclude that where it has no facilities, or in other unique situations, it is appropriate to place the demarcation at the property line of the subscriber if acceptable to the owner. Examples of this would be where a college builds and owns its own OSP cabling, or where an owner refuses additional construction charges to provide network access to marinas and campgrounds.

Another special application under the policy provides:

The demarcation point for campus arrangements is normally at the individual buildings. Alternative demarcation point(s) may be established if the circumstances require it, such as if GTE would have no facilities on the campus or could not place them there.

Other special applications cover recreational vehicles, public telephones, and hazardous conditions.

There are also other provisions, not relevant here, on such matters as BTL wiring positions, special services, network interface jack, etc.

You requested that GTE also submit a proposal on where the demarcation points should be at Dulles, and I have requested Ed and Judie to develop such a proposal. I will send it to you when it is provided to me, which I expect to be within 2 weeks.

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Please feel free to call me if you wish to discuss any of this further.

Sincerely,



A. Randall Vogelzang

c: Ed Dudley
Judie Thompson

END

ATTACHMENT 2-C

VIA FACSIMILE AND U.S. MAIL



GTE Telephone
Operations

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919-317-5000

June 13, 1995

Mr. Ian D. Volner, Esq.
Venable, Baetjer
1201 New York Ave., N.W., Suite 1000
Washington, D. C. 20005-3917

RE: Metropolitan Washington Airports Authority ("MWAA")
Proposal of Demarcation Point

Dear Mr. Volner,

Thank you for your letter of June 5, 1995 in which you outlined MWAA's determinations.

My May 17, 1995 letter provided you the demarcation policy of GTE South Incorporated ("GTE") as we agreed in our telephone conference with the Virginia SCC staff. In a subsequent telephone conversation you requested that GTE submit a proposal on moving the existing demarcation points at the airport, which I agreed to do and planned to present to you earlier this week until I received your letter. Your letter suggests that these actions are making "absolutely no progress", and you have unilaterally dictated the demarcation point (at a place that does not exist), proposed to convert GTE's property on the airport and bar GTE from providing local exchange service at the airport. The following are GTE's responses to the issues you raise:

Demarcation

GTE's facilities and the airport land and buildings have been in existence well before 1990. FCC Rule 68 provides that for multiunit premises existing as of August 13, 1990 the demarcation points will be where the telephone company's practices provide, not where the customer declares. The place you have proposed for a demarcation does not exist.

GTE's demarcation practice covering campus settings, which I sent you last month, provides for the demarcation to be at each building. If this was not clear from the policy I gave you, I hope it is clear to you now. For the most part, this is exactly where the demarcations points are now located at the airport. I do not agree with you that MWAA is the "premise owner" for all the buildings at the airport, but that is not the controlling issue under the particular FCC rules and opinions applicable here.

GTE is willing to discuss with you its proposal to reduce the number of demarcation points at the airport (even though this is



not legally required) in the interest of developing a positive working relationship with MWAA. GTE is willing to place a new demarcation point or points for MWAA in Building 8 under certain conditions. If MWAA is unwilling to negotiate this, however, then we will leave the demarcation points as they are under GTE's reasonable and nondiscriminatory standard operating practice.

MWAA's suggestion that it will interfere with the operation of GTE's telecommunications network and SCC regulated local exchange service.

You suggest in the second determination that MWAA will make modification, repairs or replacements to GTE's network facilities on the airport side of the demarcation point. As stated above, GTE currently has multiple demarcation points at the airport, which are generally located in the buildings at the airport. To the extent MWAA intends to control the inside wire of these buildings beyond GTE's demarcation point(s), that is between the occupants of the buildings and MWAA. If, however, MWAA proposes to interfere in any way with GTE's network facilities on GTE's side of the current demarcations points at the buildings, please understand that GTE will take all necessary action to enjoin such illegal conduct. Clearly, if GTE is not allowed to maintain its facilities at the airport, local telephone service there will be affected, or worse, terminated.

MWAA is not a certified local exchange carrier, and it may not interfere with the local exchange network as suggested. The telecommunications facilities of GTE at the airport do not belong to MWAA, and MWAA has no authority to exercise dominion over them. I need not remind you that interference with GTE's local exchange network facilities at the airport would violate a myriad of laws that will subject your client to significant legal liability.

Prior Written Approval to work at the Airport

Determination 3 of your letter refuses to allow GTE to install or modify/repair its telecommunications facilities at the airport unless prior approval is obtained. GTE understands that MWAA has an interest, if not a legal obligation in some instances, to manage work affecting the operation of the airport. GTE will adhere to MWAA's nondiscriminatory, reasonable permit procedures to the extent they are legally proper. Should the impact of such procedures in any way improperly interfere with GTE's ability to service its customers at the airport or be anti-competitive or otherwise illegal, GTE will take appropriate action to rectify the situation.

Right-of-way and Space Compensation

GTE is (and has always been) willing to compensate MWAA for right-of-way and the space used by GTE for local exchange service in any MWAA buildings. I understand that GTE has paid MWAA in accordance

with the terms of the current conduit and underground license agreement, which will expire sometime in October, 1995. After October, GTE proposes that compensation for the right-of-way be set according to MWAA's "historical methodology" to determine such fees as Mr. Meurlin outlined in his 1993 letter to GTE's Carlton R. Stroop.

Also, GTE has no objection to the rate for building space last proposed by MWAA. As such, the rate will be \$24. per square foot.

Unless MWAA would like to explore the combination of demarcation points at buildings located at the airport, this should resolve the matter. I believe we should be able to work out the details of the compensation matters in formal documents over the next few days.

I must also add that GTE does not concur in your interpretation of GTE's shared tenant service as you would apply it to the airport and the property around it. GTE is authorized to serve with its own facilities those customers who do not elect shared tenant service. The service also does not extend throughout the property around the airport as you propose.

It has been a pleasure working with in this matter, and I look forward to your reply.

Sincerely,



A. Randall Vogelzang
Attorney

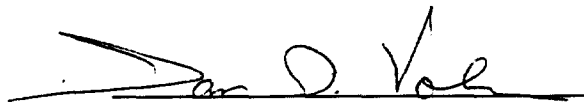
c: Ed Dudley
Judy Thompson
Naomi Klaus, Esq. (via facsimile)

CERTIFICATE OF SERVICE

This will certify that I have caused the foregoing "Request of Metropolitan Washington Airports Authority for Declaratory Ruling" and associated "Motion for Expedited Consideration" to be served upon counsel for respondent, GTE South, Incorporated, by delivering copies of the same to the counsel listed below in the manner indicated on this 14th day of August, 1995:

1. By Hand
 David Gudino, Esq.
 1850 M Street, N.W.
 Washington, D.C. 20036

2. By Federal Express
 A. Randall Vogelzang, Esq.
 4100 N. Roxboro Road
 Durham, N.C. 27702


Ian D. Volner